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July 29, 1999

Hand Delivered

Magalie Roman Salas, Secretary
Federal Communications Commission
445 Twelfth Street, S.W., TW-A325
Washington, D.C. 20554

RECEIVED

JUL 29 1999

FEDERAL COMMUNICATIONS COMMISSION
OFFICE OF THE SECRETARY

Re: *Ex Parte* Presentation
CPNI - CC Docket No. 96-115

Dear Ms. Salas:

This letter serves as notice that on Wednesday, July 28, 1999, the individuals listed below met with Dorothy Attwood, Legal Advisor to Chairman Kennard, to discuss issues addressed in the attached *Ex Parte* Presentation:

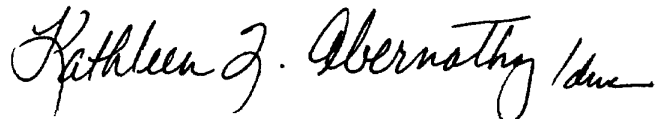
Brigette White, Arch Communications Group, Inc.
Judith St. Ledger-Roty, Kelley Drye & Warren, LLP, *for* PageNet
Ken Patrich, Wilkinson Barker Knauer, LLP, *for* Arch Communications Group, Inc.
Kathleen Abernathy, Wilkinson Barker Knauer, LLP, *for* Arch Communications Group, Inc.

Pursuant to Section 1.1206(a), an original and one copy of this letter are being filed with your office. Please associate this letter with the file in the above-captioned proceeding.

Should you have any questions regarding this matter, please contact the undersigned.

Sincerely,

WILKINSON BARKER KNAUER, LLP



By: Kathleen Q. Abernathy
Counsel for Arch Communications Group, Inc.

Attachment

cc: Dorothy Attwood, Legal Advisor to Chairman Kennard

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List ABCDE

CPNI

Paging Customer Expectations

USING PAGING SERVICE CPNI TO MARKET CPE AND INFORMATION SERVICES

- ▶ Paging is marketed as an integrated product comprised of the pager, the paging service and information services like voice mail; paging CPE is uniquely tied to the carriers' network
- ▶ Paging customers view the integrated paging product as their total service package; customers have developed very definite expectations based on this integrated product and the industry's marketing practices that have been followed for decades
 - small businesses, which comprise a sizeable percentage of Arch's customer base, rely on Arch to provide guidance regarding how these companies can best meet their communications needs
- ▶ Impact of current CPNI restrictions
 - current restrictions infringe consumers' ability to negotiate lowest price for service
 - there is an inordinate amount of consumer confusion and uncertainty
 - current restrictions inhibit roll-out of new services, *e.g.*, narrowband PCS
 - current restrictions inhibit the company's ability to integrate networks
- ▶ FCC's *Bundling Clarification Order* does not resolve these problems

USING CPNI TO RETAIN AND WIN BACK CUSTOMERS

- ▶ Efforts to retain and win back customers are an integral part of running a paging business, and customers have come to rely on these efforts
- ▶ CPNI is a critical component of successful customer retention and winback
 - using CPNI demonstrates a carrier's familiarity with and interest in the customer, a characteristic valued by consumers
 - using CPNI helps focus discussions on services tailored to the customer's needs
- ▶ Restricting paging carriers from using CPNI to retain or win back customers is anti-consumer
 - prevents customers from learning about and obtaining best price and service offerings
 - completely inconsistent with customer expectations — customers want and rely on interaction with service providers
 - customers are confused by carriers' explanations of the need for approval to use the customers' CPNI
- ▶ Restricting paging carriers from using CPNI to retain or win back customers is inconsistent with the FCC's own interpretation of Section 222 as embodying "statutory principles of customer control and convenience" (*see, e.g., ¶ 80 of the CPNI Second Report and Order*)
- ▶ Current restrictions obliterate the fine line between customer service efforts and marketing/sales efforts

SECTION 222 DOES NOT PRECLUDE USE OF CPNI TO MARKET CPE AND INFORMATION SERVICES TO PAGING CUSTOMERS

- ▶ FCC has concluded that inside wiring meets the exception set forth in Section 222(c)(1)(B) because it is both “necessary to” and “used in” a carrier’s provision of wireline telecommunications service; identical analysis is clearly warranted for paging CPE which must be pre-programmed to operate on a specific network and frequency
- ▶ Paging has historically been marketed as an integrated product which includes information services. Accordingly, based on customer expectation, information services are “necessary to or used in” the underlying paging service.
 - for example, many customer acquire paging services almost exclusively to obtain stock quotes or sports scores, etc.